VA DIRECTIVE 7408.1 Transmittal Sheet June 9, 2005

REQUESTING WAIVERS FROM THE REQUIREMENT TO USE VA FEDERAL SUPPLY SCHEDULES

- **1. REASON FOR ISSUE.** To provide Department-wide policy on requesting waivers from the requirement to use Federal Supply Schedule (FSS) contracts awarded by the Department of Veterans Affairs (VA) in Federal Supply Class (FSC) 65 and the Clinical Analyzers, Laboratory, and Cost-Per-Test FSS contracts awarded by VA under FSC 66.
- **2. SUMMARY OF CONTENTS.** This directive contains policy on requesting waivers from the requirement to use Federal Supply Schedule contracts awarded by VA.
- **3. RESPONSIBLE OFFICE.** Acquisition Resources Service (049A5A), Office of Acquisition and Materiel Management.
- **4. RELATED HANDBOOK.** VA Handbook 7408.1, Requesting Waivers from the Requirement to Use VA Federal Supply Schedules.
- 5. RESCISSIONS. None.

CERTIFIED BY:

BY DIRECTION OF THE SECRETARY OF VETERANS AFFAIRS:

/S/
Robert N. McFarland
Assistant Secretary for Information and Technology

/S/ Tim S. McClain Chief Management Officer

Distribution: RPC 7029

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REQUESTING WAIVERS FROM THE REQUIREMENT TO USE VA FEDERAL SUPPLY SCHEDULES

- **1. PURPOSE.** This directive provides Department-wide policy on requesting waivers from the requirement to use Federal Supply Schedule (FSS) contracts awarded by the Department of Veterans Affairs (VA) in Federal Supply Class (FSC) 65 and the Clinical Analyzers, Laboratory, and Cost-Per-Test FSS contracts awarded by VA under FSC 66.
- 2. POLICY. The Executive Director and Chief Operating Officer, VA National Acquisition Center (NAC), is authorized to approve requests for waivers to the requirement to purchase goods and services from FSS contracts awarded by VA in FSC 65 and 66 (see Appendix A). Each VA medical facility (or Veterans Integrated Service Network (VISN) on behalf of all medical facilities within the VISN) must establish a local procedure for processing waiver requests. Network directors are encouraged to establish local field review and approval procedures as they deem appropriate to sound oversight; however, at a minimum, local procedures must include review and approval at a level no lower that the field Chief of Staff prior to the request being forward to the Executive Director and Chief Operating Officer. The process should ensure that decisions are evidence-based and timely. Neither single facility staff preference nor the appearance of lower cost to a specific medical facility is sufficient justification for deviating from the requirement for use of FSS contracts awarded by VA in FSCs 65 and 66. Approval should be based on appropriate clinical rationale. The request shall contain the information set forth in VA Handbook 7408.1, Requesting Waivers from the Requirement to Use VA Federal Supply Schedules.

With regard to waiver procedures for national committed-use contracts, see Veterans Health Administration (VHA) Directive and Handbook 1761.1, Standardization of Supplies and Equipment Procedures.

3. RESPONSIBILITIES.

- a. **Deputy Assistant Secretary for Acquisition and Materiel Management (DAS for A&MM):** The DAS for A&MM, through the Assistant Secretary for Management, is delegated authority to approve waivers from the requirement to use the highest available contract hierarchy. This authority is further delegated to the Executive Director and Chief Operating Officer, NAC, as per the attached delegation of authority. This authority may not be further delegated.
- b. **Executive Director and Chief Operating Officer:** The Executive Director and Chief Operating Officer may approve requests for waivers to deviate from the requirement to purchase goods and services from FSS contracts awarded by VA in FSCs 65 and 66.

c. VHA Office of Clinical Logistics (10F): VHA Office of Clinical Logistics (10F) is responsible for the waiver process relating to standardization of supplies and equipment.

4. REFERENCES.

- a. Class Deviation (establishing the contract hierarchy) dated October 7, 2002.
- b. Information Letter 049-03-1 dated November 20, 2002.
- c. VHA Handbook 1761.1 dated January 26, 2001.

5. DEFINITIONS.

- a. **Item**. When an ordering office determines that an item that is available on an FSS contract in FSC 65 or on a Clinical Analyzers, Laboratory, and Cost-Per-Test FSS contract in FSC 66 will not meet the office's specific needs, but a similar item from another source will meet the office's needs, the office must submit a request for waiver to the Executive Director and Chief Operating Officer, NAC. A like or similar item is defined as those that are functional equivalents in that they perform the same basic functions.
- b. **Request for Waivers**. VA Form 0753a, FSS Request for Waiver, is used for requesting a waiver from the use of goods and services from FSS contracts awarded by VA in FSC 65 and 66.
- c. **Standardization**. Standardize to the maximum extent possible the types and kinds of supplies and equipment purchased, consistent with clinical and practitioner needs, facilitating best-value product through committed volume purchasing, and facilitating the delivery of high-quality health care.

VA DIRECTIVE 7408.1 APPENDIX A

DEPARTMENT OF VETERANS AFFAIRS DEPUTY ASSISTANT SECRETARY FOR ACQUISITION AND MATERIEL MANAGEMENT WASHINGTON, DC 20420

MEMORANDUM FOR THE EXECUTIVE DIRECTOR AND CHIEF OPERATING OFFICER, VA NATIONAL ACQUISITION CENTER

SUBJECT: Delegation of Authority to Grant Waivers from the Requirement for Use of the Highest Available Contract Hierarchy

DELEGATION: As prescribed in the Procurement Reform Task Force (PRTF) Report of May 2002, Recommendation 1.1.2, this memorandum delegates the Executive Director and Chief Operating Officer, Department of Veterans Affairs (VA) National Acquisition Center, authority to grant waivers from the requirement for use of the highest available contract hierarchy established in the attached class deviation to VA Acquisition Regulation (VAAR) Part 8. This hierarchy is as follows:

- a. "Tier One"
 - National committed use contracts.
- VA Federal Supply Schedule (FSS) Group 65 and 66 contracts for health care supplies in the following order of priority:
- Nationally awarded blanket purchase agreements (BPAs) issued against FSS contracts (by the VA National Acquisition Center).
- Multi-Veterans Integrated Service Network (VISN), VISN, or locally awarded BPAs issued against FSS contracts.
 - FSS Group 65 or 66 contracts without BPAs.
 - b. "Tier Two"
- VISN or regionally awarded contracts for items without national committed use or FSS contracts.
- Locally awarded contracts for items without national committed use or FSS contracts.

- c. "Tier Three"
 - Open-market purchases.

This hierarchy will be formally incorporated in the next applicable change to the VAAR.

- 2. AUTHORITY. VA Directive 7408.1, Requesting Waivers from the Requirement to Use VA Federal Supply Schedules
- 3. RESTRICTIONS. None. This delegation cancels and supersedes all previous delegations of authority, including a delegation of authority titled "Delegation of Authority for Granting Waivers From the Requirements for Use of the Highest Available Contract Hierarchy" issued to VISN Directors, dated February 26, 2004.
- 4. REDELEGATION. This Delegation of Authority may not be further redelegated.
- 5. EFFECTIVE DATE. This delegation of authority is effective upon signature and will expire 2 years after the date delegated.

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C. Ford Heard Acting Deputy Assistant Secretary for Acquisition and Materiel Management